

**THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
ASHEVILLE DIVISION
CRIMINAL CASE NO. 1:11-cr-00086-MR-DLH**

UNITED STATES OF AMERICA,)	
)	
Plaintiff,)	
)	
vs.)	<u>ORDER</u>
)	
ROBERT CRAIG GOURLAY,)	
)	
Defendant.)	
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THIS MATTER is before the Court on the Government's Statement of Position on Restitution [Doc. 33].

On December 4, 2013, the Court deferred the final determination of restitution in this matter until December 30, 2013. [Doc. 22]. That deadline was later extended so as to give the parties additional time within which to reach a stipulation or otherwise file briefs regarding the stipulation amount. [See Doc. 27]. The Government's brief was filed on January 24, 2014. [Doc. 33]. The Defendant did not file a brief regarding the restitution amount.

Having reviewed the Government's brief and the entire record in this cause, the Court concludes that restitution should be ordered in the amount of \$6,237,453.37. This amount is owed to the victim banks and is calculated as follows:

Named Borrower	Victim Bank	Description	Original Loan Amount	Charge-Off / Loss Amount
Buck Cashion	CBR	Lot Loan Program, Lot 98	\$307,500	\$306,146.40
Ray Chapman	CBR/PCB	Lot Loan Program, Lot 110	\$300,000	None ¹
George Gabler	CBR/PCB	Lot Loan Program, Lot 118	\$296,250	\$248,636.15
Buck Cashion	CBR	Lot Loan Program, Lot 131	\$618,750	\$615,027.60
Ray Chapman	CBR	Lot Loan Program, Lot 141	\$581,250	\$577,866
George Gabler	CBR	Lot Loan Program, Lot 142	\$569,250	\$569,250
K. Rantzos	PCB	Lot 112	\$195,000	\$162,500
K. Rantzos	PCB	Lot 116	\$202,500	\$170,000
K. Rantzos	PCB	Lot 122	273,750	\$210,300.63
Dion Holdings	PCB	Lot 138	\$596,250	\$522,022.85
Ed Worlund	PCB	AML Funding Loan	\$650,000	None ²
Betty Zieger	PCB	BZ Straw Loan	\$450,000	None ³
Betty Zieger	PCB	Payroll Loan	\$50,000	None ⁴

¹This loan was paid off via the Quid Pro Quo scheme in September 2009 as part of the Somily loan.

²This loan was refinanced through RBC Bank and is being repaid by the individual who hypothecated his annuity.

³This loan was paid down through regular payments made by NC Four C's, and eventually was paid in full in June, 2010. Keith Vinson executed a promissory note in September 2009 to repay Zieger for this debt but never paid.

⁴Paid in full in July 2009, with proceeds from an \$80,000 loan from PCB to Ray

Joan Cashion	PCB	JLC Straw Loan	\$850,000	\$742,000
Ray Chapman	PCB	Quid Pro Quo	\$1,100,000	\$934,801.77
Buck Cashion	PCB	Quid Pro Quo/Jarco Loan	\$1,100,000	\$342,835.57
Collier Market Holdings	PCB	Quid Pro Quo	\$360,000	\$104,976
Somily Holdings	PCB	Quid Pro Quo	\$825,000	\$731,090.40
Total Restitution				\$6,237,453.37

Of the six original loans issued through the Community Bank of Rowan (CBR), only two were purchased by Pisgah Community Bank (PCB) as promised. Thus the restitution payee for the remaining four CBR loans would be VantageSouth Bank, the institution that later merged with CBR.

Pisgah Community Bank was closed by the FDIC, so the FDIC as Receiver for Pisgah Community Bank would be the recipient of restitution for loans issued through or purchased by that PCB.

Finally, Defendant Gourlay's liability should be joint and several with the following co-defendants:

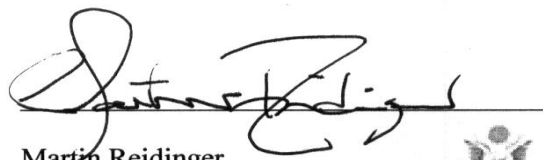
Chapman (which in turn was rolled into the Quid Pro Quo scheme).

- **All Loans:** David G. Smith, Avery Ted Cashion, III, Raymond M. Chapman, Thomas E. Durham, Jr., and Keith Arthur Vinson.
- **Gabler Loans and Ed Worlund Loan Only:** George M. Gabler (in addition to the parties listed previously).
- **Dion Holdings and Quid Pro Quo Loans Only:** Nicholas Dimitris (in addition to the parties listed previously).
- **All Loans Except the Ed Worlund Loan, the Betty Zieger Loans, and the Jarco Loan:** Aaron Ollis (in addition to the parties listed previously).
- Any other persons who may be found to be liable.

Accordingly, **IT IS, THEREFORE, ORDERED** that restitution shall be ordered in the amount of \$6,237,453.37. The Clerk of Court shall prepare an Amended Judgment in accordance with the provisions of this Order.

IT IS SO ORDERED.

Signed: February 24, 2014


 Martin Reidinger
 United States District Judge

